



Notice of Price Agreement Award

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
CAPITOL HILL
PROVIDENCE RI 02908

V E N D O R	CONSUMERS INTERSTATE CORP 2 CONSUMERS AVE NORWICH CT 06360-1568	TOILET TISSUE, LG R/PAPER TOW	
		Award Number 68M00210261	Effective Period: 3/1/01 - 2/28/06

S H I P T O	ADMINISTRATION MASTER PRICE AGREEMENT REQUESTING AGENCY PER RELEASE AGAINST RI MPA	Date: 03/01/2001 Buyer: LINDA ROCHE Shipping: F.O.B., Destination Terms: Net 30	I N V O I C E	ADMINISTRATION MASTER PRICE AGREEMENT REQUESTING AGENCY PER RELEASE AGAINST RI MPA

Department			Bid Number	Requisition Number
ADMINISTRATION		MPA-97	3513	
Item			Unit	Unit Price
	PER TOILET TISSUE, LARGE ROLL & ROLL PAPER TOWEL MASTER #97-6-3516.			

This Notice of Award/Purchase Order is issued in accordance with the specific requirements described herein and the State's Purchasing Regulations and General Conditions of Purchase, copies of which are available at www.purchasing.state.ri.us. Delivery of goods or services as described herein shall be deemed acceptance of these requirements.

COPY

STATE PURCHASING AGENT/DESIGNEE

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Master Price Agreement - MPA #97-6-3513

Agency Price Agreement – APA #

Requisition #

COMMODITY/SERVICE DESCRIPTION: TOILET TISSUE, LARGE ROLL & ROLL PAPER TOWELS

DATE ISSUED: 3/1/01

AGREEMENT PERIOD: 3/1/01 – 2/28/06

(with the option to renew for five (5) additional years)

BUYER: LINDA ROCHE/njl

Telephone No. (401) 222-2142 ext. 118

APPROVED FOR THE STATE OF RHODE ISLAND: Jerome D. Moynihan

Administrator, Purchasing Systems

This is a notice of award, not an order. Any quantity reference in the agreement or in the bid preceding it are estimates only and do not represent a commitment on the part of the state to any level of billing activity, other than for quantities or volumes specifically released during the term. No action is to be taken except as specifically authorized, as described herein under **AUTHORIZATION AND RELEASE**

BILLING

REFERENCE NO.

VENDOR(S)

ADDRESS

TELEPHONE

FOR ORDERS:

97-6-3513-1

CONSUMERS INTERSTATE INCORPORATED
42 STOTT AVENUE
NORWICH, CT 06360-1568

TELEPHONE #: (800) 223-7475

REPAIRS & REPLACEMENT PARTS:

KIMBERLY CLARK
CUSTOMER SOLUTION CENTER

TELEPHONE #: (888) 346-4652
TERMS: NET 30 DAYS

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Master Price Agreement - MPA #97-6-3513

Agency Price Agreement – APA #

Requisition #

ENTIRE AGREEMENT - This NOTICE OF AWARD, with all attachments, and any release(s) against it shall be subject to: (1) the specifications, terms and conditions set forth in Request/Bid Number 3513, (2) the General Terms and Conditions of Contracts for the State of Rhode Island (3) all provisions of, and the Rules and Regulations promulgated pursuant to, Title 37, Chapter 2 of the General Laws of the State of Rhode Island AND (4) any Special Instructions or Provisions contained herein. This NOTICE shall constitute the entire agreement between the State of Rhode Island and the Vendor. No assignment of rights or responsibility will be permitted except with the express written permission of the State Purchasing Agent or his designee.

SCOPE AND LIMITATIONS - This Agreement covers requirements as described herein, ordered by State agencies (or political subdivisions of the State) during the Agreement Period. No additional or alternative requirements are covered, unless added to the Agreement by formal amendment by the State Purchasing Agent or his designee.

If this is a Master Price Agreement (MPA), Political Subdivisions (cities, towns, schools, quasi-public agencies), as authorized by law, may participate in this Agreement. All ordering and billing shall be between the vendor and the political subdivision (only).

CANCELLATION, TERMINATION and EXTENSION - This Price Agreement shall automatically terminate as of the date(s) described under **AGREEMENT PERIOD** unless this Price Agreement is altered by formal amendment by the State Purchasing Agent or his designee upon mutual agreement between the State and the Vendor.

PRODUCT ACCEPTANCE - All merchandise offered or otherwise provided shall be new, of prime manufacture, and of first quality unless otherwise specified by the State. The State reserves the right to reject all nonconforming goods, and to cause their return for credit or replacement, at the State's option.

- a) Failure by the state to discover latent defect(s) or concealed damage or non-conformance shall not foreclose the State's right to subsequently reject the goods in question.
- b) Formal or informal acceptance by the State of non-conforming goods shall not constitute a precedent for successive receipts or procurements.

Where the vendor fails to promptly cure the defect or replace the goods, the State reserves the right to cancel the Release, contract with a different vendor, and to invoice the original vendor for any differential in price over the original contract price.

INSURANCE - If this is an Agency Price Agreement (APA), annual renewal insurance certificates for Workers' Compensation, Public Liability, Property Damage Insurance, Auto Insurance, etc., must be submitted to the specific agency identified in the "Bill To" section of this agreement. If this is a Master Price Agreement (MPA), send to the appropriate Buyer at the address named below for submitting reports. Certificates are annually due prior to the beginning of any contract period beyond the initial twelve-month period of this contract. Failure to provide annual insurance certification may be grounds for cancellation.

REPORTS - The Vendor agrees to provide the State with quarterly reports describing activity against this Price Agreement. If this is a Master Price Agreement, such reports shall include usage by municipalities, quasi-public agencies, schools, etc. All reports shall contain the following data:

- ☐ Items listed in Attachment A – Pricing, which have had no release activity during the period,
- ☐ Billing volume, in total, by month,
- ☐ Shipment quantity during the quarter, by major classification (as identified by Attachment A - Pricing),
- ☒ Shipment quantity during the quarter, by item (as identified by Attachment A - Pricing),
- ☐ Shipment quantity during the quarter, by billing address (as identified by Attachment A - Pricing),
- ☐ Other.

Required documents must be submitted to the BUYER named in this notice at the address below.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Master Price Agreement - MPA #97-6-3513

Agency Price Agreement – APA #

Requisition #

ORDER AUTHORIZATION AND RELEASE AGAINST PRICING AGREEMENT

In no event shall the Vendor deliver goods or provide service until such time as a duly authorized release document is certified by the ordering Agency.

State Agencies shall request release as follows: All releases shall reference the Price Agreement Number, the item(s) covered, and the unit pricing in the same format as described in Attachment A - Pricing.

A Direct Purchase Order (DPO) shall be created by the agency listing the items ordered. The agency may mail or fax a copy of the order to the Vendor. In some cases the agency may request delivery by telephone, but must provide the Vendor with a DPO Order Number reference for billing purposes.

DELIVERY - If this is a Master Price Agreement (MPA), vendor will obtain “ship to” information from each participating agency. This information will be contained in the DPO. If this is an Agency Price Agreement (APA) vendor will ship to the following address:

PRICING - All pricing shall be as described in Attachment A - Pricing, and is considered to be fixed and firm for the term of the Agreement, unless specifically noted to the contrary herein. All prices include prepaid freight. Freight, taxes, surcharges, or other additional charges will not be honored unless reflected in Attachment A.

INVOICING – All invoices shall reference the DPO Order Number(s), Price Agreement number, the item(s) covered, and the unit pricing in the same format as described in Attachment A - Pricing. Invoices for items not received or for work not yet performed will not be honored.

If this is a Master Price Agreement (MPA), vendor will obtain “bill to” information from each participating agency. This information will be contained in the DPO. If this is an Agency Price Agreement (APA) vendor will send invoices to the following address:

SPECIAL TERMS/INSTRUCTIONS/REQUIREMENTS

N/A

PRICE AGREEMENT: TOILET TISSUE, LARGE ROLL & ROLL PAPER TOWELS MPA #97
EFFECTIVE PERIOD: 3/1/01 - 2/28/06 (with option to renew for five (5) additional years)
BID #3513 - OPENED: 1/31/01
ATTACHMENT "A"

ITEM #	DESCRIPTION	UNIT PRICE
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97-6-3513-1
CONSUMERS INTERSTATE INCORPORATED
42 STOTT AVENUE
NORWICH, CT 06360-1568
TELEPHONE #: (800) 223-7475
KIMBERLY CLARK
CUSTOMER SERVICE
TELEPHONE #: (800) 241-3146
TERMS: NET 30

THIS IS A MULTI-YEAR BID/CONTRACT. PER RHODE ISLAND STATE LAW 37-2-33, CONTRACT OBLIGATIONS BEYOND FISCAL YEAR 2001 ARE SUBJECT TO AVAILABILITY OF FUNDS. CONTINUATION OF THE CONTRACT BEYOND THE INITIAL FISCAL YEAR WILL BE AT THE DISCRETION OF THE STATE. TERMINATION MAY BE EFFECTED BY THE STATE BASED UPON DETERMINING FACTORS SUCH AS UNSATISFACTORY PERFORMANCE OR THE DETERMINATION BY THE STATE TO DISCONTINUE THE GOODS/SERVICES, OR TO REVISE THE SCOPE AND NEED FOR THE TYPE OF GOODS/SERVICES; ALSO MANAGEMENT OWNER DETERMINATIONS THAT MAY PRECLUDE THE NEED FOR GOODS/SERVICES.

DELIVERY: STATEWIDE DELIVERY

TISSUE AND ROLL PAPER TOWELS AS DESCRIBED BELOW TO INCLUDE SCOTT DISPENSERS.
(TOWEL DISPENSERS ARE: LEV-R-MATIC AND CONVERTAMATIC).
(TISSUE DISPENSERS ARE: JRT JR, TWIN AND ESCORT).

PRICE AGREEMENT: TOILET TISSUE, LARGE ROLL & ROLL PAPER TOWELS MPA #97
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BID #3513 - OPENED: 1/31/01
ATTACHMENT "A"

ITEM #	DESCRIPTION	UNIT PRICE
1	ROLL PAPER TOWELS SCOTT # 1000 OR EQUAL 1000' WHITE 12/ROLLS/CS STOCK NUMBER CIC#TM1003-26 PRICE PER CASE - 1ST YEAR PRICE PER CASE - 2ND YEAR 12 ROLLS PER CASE	 \$52.69 \$52.69
2	JUMBO ROLL TOILET TISSUE SCOTT #7805 JRT 2 PLY 1000' ROLL STOCK NUMBER CIC#TV1103-21 PRICE PER CASE - 1ST YEAR PRICE PER CASE - 2ND YEAR 12 ROLLS PER CASE	 \$27.96 \$27.96

ADDITIONAL SPECIFICATIONS:

- 1) VENDOR IS RESPONSIBLE TO REPAIR EXISTING DISPENSERS WITH GENUINE SCOTT REPAIR PARTS AT NO COST TO THE STATE.
- 2) IF EXISTING DISPENSERS CANNOT BE REPAIRED, VENDOR MUST FURNISH AND INSTALL NEW DISPENSERS AT NO COST TO THE STATE. DISPENSERS SUPPLIED WILL BE KIMBERLY CLARK (SCOTT).

PRICING FOR YEARS THREE (3) THROUGH FIVE (5) AND FOR YEARS FIVE (5) THROUGH TEN (10) (RENEWAL AT THE STATE'S SOLE DISCRETION) OF THE CONTRACT WILL BE PER THE ESCALATION CLAUSE ATTACHED. THE VENDOR MUST NOTIFY THE DIVISION OF PURCHASES TWO (2) MONTHS PRIOR TO ANY INCREASE/DECREASE IN PRICING. PROPER DOCUMENTATION MUST ACCOMPANY ANY REQUEST. FAILURE TO NOTIFY THE DIVISION OF PURCHASES WILL INDICATE THAT PRICING WILL REMAIN THE SAME.

Kimberly-Clark Price Escalation / Modification Program

The following price modification program is available only to Multi-Year Preferred Contract Customer Partners. Annual price modifications for fiber based Towels, Tissue and Wiper Products will be directly linked to industry price changes impacted by **Fiber, Labor and Energy** cost changes. National indices from consecutive calendar years will be utilized as the base for price modifications.

Contract price changes will be calculated using two components; **Fiber Cost** and **Labor and Energy Cost**.

Fibers Cost will represent 60% and **Labor and Energy Cost** will represent 40% of the total price modification.

Price changes will be representative of the two combined industry modifications. **Maximum impact will not vary more than 8% in any 12-month period for the purpose of providing reasonable market stability.**

FIBER COST

Fiber cost will be calculated on an annualized basis using the total monthly fiber cost per ton of NSWK (Northern Bleached Soft Wood Kraft) delivered to the United States. The twelve-month total will then be averaged. Documentation to support actual prices per ton will be developed from:

- 1) World Pulp Monthly, RISI, Table #5 Market Pulp Price Summary.

LABOR AND ENERGY COSTS

Labor and Energy costs will be tied to the All Commodities published Producers Price Index (P.P.I.) average for the prior year. P.P.I. index information is available by contacting the Labor Bureau and requesting the All Commodities Index and Historical Table.

Example: If the average price for fiber the previous 12 months increased by 7% (from \$600 per Ton to \$642 per Ton) and the P.P.I increased by 2%

Previous contract price for #1500 C-fold Towel was \$25.00 per case.

Formula $(.07 \times .60)$ total + $(.02 \times .40)$ total + 1 x \$ 25.00 = \$26.25

New contract pricing for #1500 would be \$26.25

DISPENSER

REPAIR OR REPLACE PROGRAM

The State of RI currently has many Scott dispensers installed in State facilities. The commitment by Consumers Interstate and Kimberly Clark is that of a Repair or Replace program. Upon completion of the program – all dispensers will look and perform like brand new units either by replacing parts or by totally replacing units. Representatives of Kimberly Clark will inspect installations with more than twenty-five (25) units. Agencies can contact the Kimberly Clark Customer Service number to set up a time for the inspection. Installations with less than twenty-five (25) units must contact the Customer Service number for Kimberly Clark or Consumers Interstate for instruction on proceeding with dispenser repair or replacement.

The program will be a five (5) year loan-to-own program for new dispensers. The State of RI owns existing dispensers. Existing dispensers and any new dispensers added through the loan-to-own program will be maintained in “like new” condition by Kimberly Clark and Consumers Interstate. This program will place no new dispensers after year one of the contract without the approval of the Division of Purchases. Agencies must request in writing the installation of dispensers after the first year of the contract and placement will be decided on a case by case basis.